

# **DEPARTMENT OF FINANCIAL INSTITUTIONS**

## **MINUTES OF MEETING**

**OCTOBER 10, 1991, 10:00 AM EST**

The Members of the Department of Financial Institutions met at 10:00 a.m., EST, at 402 West Washington Street, Room W066, Indianapolis, Indiana, on Thursday, October 10, 1991. Members present were Messrs. Mark Hasten, presiding, W. Paul Wolf, Eugene H. Deutsch, John M. House, Daniel Leitch, III, and Mrs. Dee L. Godme. Also present were Director Charles W. Phillips; Deputy Director Donald E. Husk, C.F.E., Depository Institutions; Randall L. Rowe, Bank Supervisor; James M. Cooper, Administrative Assistant; John E. Simmonds, Deputy Director; John J. Schroeder, Senior Bank Analyst; Burl H. Thornton, Bank Analyst; Eric S. Neal, Bank Examiner; Bill Shrewsberry, Executive Assistant, Governor's Office; and, Janice L. Davis, Executive Secretary. Mr. Grant was absent.

### **I. EXECUTIVE SESSION**

A review of information obtained during recent examinations and capital plans of the following institutions:

- 1.) Gateway Bank, Indiana, LaGrange, LaGrange County
- 2.) Marengo State Bank, Marengo, Crawford County
- 3.) Worthington State Bank, Worthington, Greene County

This information is confidential as provided in I.C. 28-1-2-30. This aspect of the Executive Session is authorized by I.C. 5-14-1-5.6(A)(6).

### **II. PUBLIC SESSION**

Mr. Daniel Leitch, III was administered the oath of office before the Members' Meeting. Mr. Leitch was appointed by Governor Bayh as a new Member replacing Roy Haley. Mr. Leitch is President and CEO of American General Finance, Inc., Evansville. His term will expire June 30, 1994.

A.) Attendance

B.) It was noted that the next Members' Meeting is November 14, 1991, at 9:00 a.m. EST.

C.) Upon a motion made by Mr. Wolf and seconded by Mr. House the minutes of the meeting held August 8, 1991, were unanimously approved.

D.) No action was taken under Executive Session

### **DIVISION OF BANKS AND TRUST COMPANIES**

- 1.) An application from J.B. Morgan Bancshares, Inc., Morgantown, Morgan County requesting approval of a plan of common stock exchange. A review of the transcript and exhibits generated during a public hearing held September 6, 1991, and consideration of the order by Director Charles W. Phillips, regarding an application for a plan of common stock exchange between First State Bank, Morgantown, Morgan County, Indiana, and J. B. Morgan Bancshares, Inc., Morgantown, Morgan County, Indiana. Exchange rate will be one share of bank holding company (J.B. Morgan Bancshares, Inc.) common stock for each common share of bank stock owned. Upon motion made by Mr. House and seconded by Mrs. Godme, the application was unanimously approved.
- 2.) A request that the Members consider general delegations to the Director of the Department to obtain appropriate hearing officers to conduct final hearings on cease and desist orders, and for hearings on temporary cease and desist orders. The statutory delegation of the Members' authority is found in I.C. 28-11-1-11. A motion for approval was made

by Mr. Deutsch and was seconded by Mr. House. The motion was unanimously approved.

- 3.) A request by the Randolph County Bank, Winchester, Randolph County, Indiana, for approval to reduce the amount of the bank's reserve for securities as provided in Bank and Trust Companies Regulation B-9. Upon a motion made by Mr. Wolf and seconded by Mr. Leitch, the request was unanimously approved.

#### **DIRECTOR'S COMMENTS**

- A.) The German American Bank, Jasper, Dubois County, Indiana, closed a branch banking office on Highway 231-North (in Germantown Shopping Center), Jasper, Dubois County, Indiana. Notice of the closing was published July 12, 1991. The closing was scheduled for August 10, 1991, at 2:00 p.m. The institution informed the Department, as required by policy, that in fact, operations officially closed on schedule August 10, 1991. This is for informational purposes only.
- B.) First Bank and Trust Company, Brazil, Clay County, Indiana, is closing a branch banking office drive-up facility located at 15 North Franklin Street, Brazil, Clay County, Indiana. Notice of the closing was published April 5, 1991, and on September 10, 1991. The closing is scheduled for October 10, 1991, at 5:00 p.m. This is for informational purposes only.
- C.) The Director to advise the Members of actions taken pursuant to delegated authority. Informational purposes only.

#### **CERTIFICATION**

The Department certifies that the business discussed in the Executive Session was limited only to business which was set out in the Department's Notice of Meeting and Agenda under the heading, Executive Session.

There being no further business to come before the Members, a motion was made by Mr. House to adjourn the meeting, and was seconded by Mr. Wolf. The meeting was adjourned.

**APPROVED:**

**ATTEST:**

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